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(Washington, DC) - **U.S. Representative Chet Edwards** today supported legislation that incorporated his proposal to make Pay-As-You-Go (PAYGO) budget policies permanent law, and begin returning Congress to the fiscally responsible policies that led to budget surpluses in the 1990s. The House passed the Statutory PAYGO Act of 2010 by a vote of 233 to 187, which has already passed the Senate and will be signed into law by the president soon.

"I am proud to have led the fight to make this new pay-as-you-go bill a permanent law, not a temporary one. The pay-as-you-go principle makes sense for this Congress and for all future Congresses. Had pay-as-you-go policies been in place since the 1990's, our national debt today would be trillions less and our children's future far brighter," **said Edwards, a senior member of the House Budget Committee.**
"Adopting pay-as-you-go policies can be a critical part in reviving America's economy and getting the country back on its financial feet."

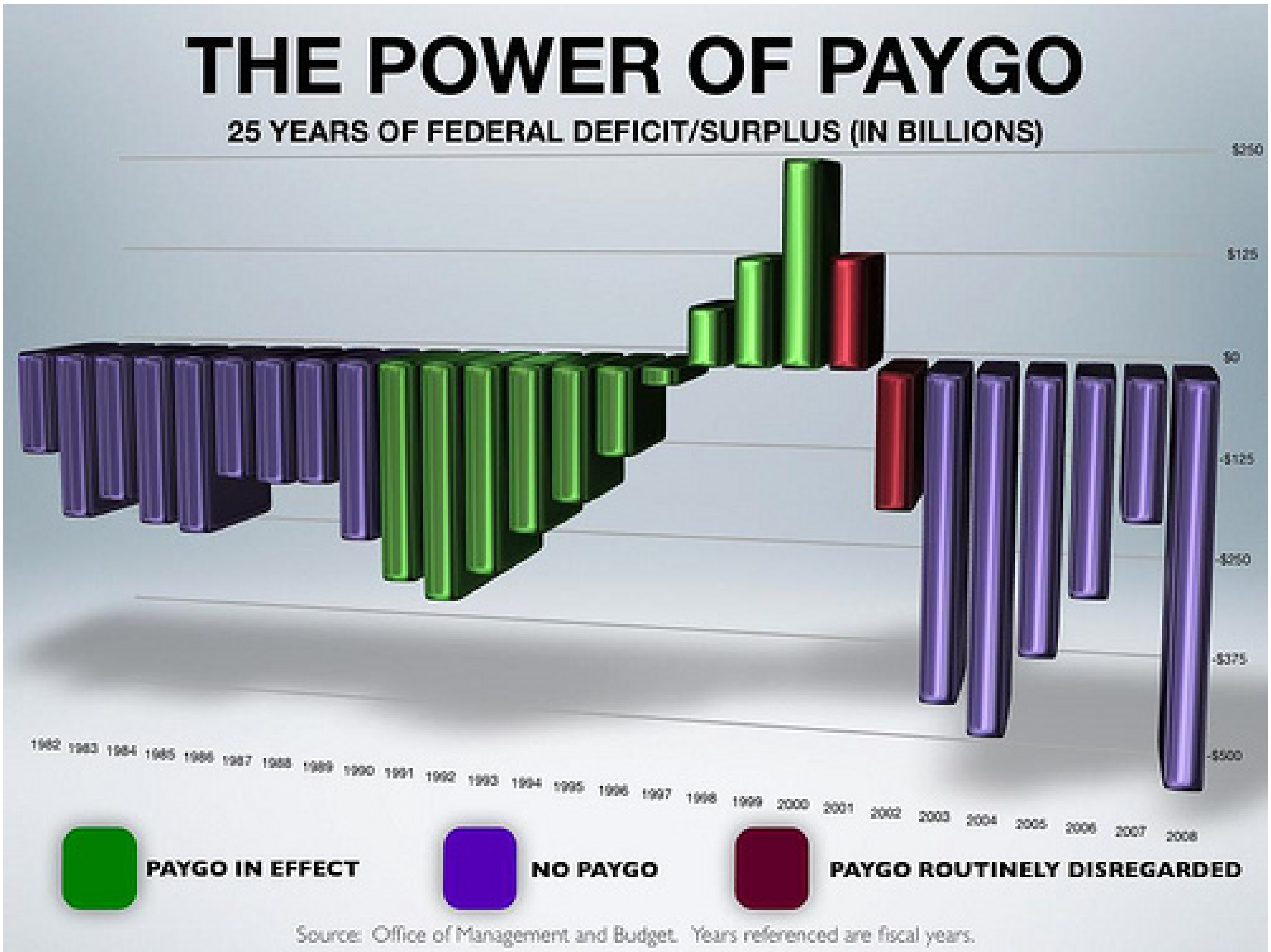
PAYGO policies were originally scheduled to end in 2013 under H.R. 2920, which passed the House in July 2009 before Edwards led the fight to make them permanent. The Statutory Pay-As-You-Go Act of 2010 requires Congress to adopt PAYGO as permanent law, and offset the costs of tax cuts or increases in entitlement spending with cuts elsewhere in the budget to prevent increases in the deficit. If the net effect of all new legislation enacted during a session of Congress increased the deficit, there would be an across-the-board reduction in most mandatory programs. The new law is based upon the bipartisan PAYGO law that was in place in the 1990s and helped turn massive deficits into record surpluses.

"The pay-as-you-go principle is one that American families and businesses live by everyday. You don't spend money you don't have," **said Edwards.** *"We have a moral obligation to reduce deficits and prevent our children from drowning in a sea of national debt."*

In the 1990s with pay-as-you-go budgeting in effect, the federal government balanced budgets and had a projected $5.6 trillion surplus. When the successful budgeting policy was discontinued in 2002 over the objections of Congressman Edwards and others, the federal government went from a projected 10-year surplus of $5.6 trillion to a deficit of $11 trillion, an astounding fiscal u-turn in just 7 years.

Edwards concluded, *"Without pay-as-you-go policies in place the last 7 years, the largest surpluses in national history have turned into the largest deficits in history. For the good of our children and our country's future, it is time to correct that mistake and to see it never happens again. We cannot correct overnight the irresponsible fiscal decisions of the past decade, but with this pay-go bill as the permanent law of the land, we will begin the important process of reducing deficits and balancing the federal budget."*

PAYGO was included in House rules by the new majority in 2007. The Statutory PAYGO Act of 2010 gives it the force of law. There is a history of bipartisan support for PAYGO: it was enacted by a Republican President and Democratic Congress in 1990, extended by a Democratic President and Republican Congress in 1998, and won 24 Republican votes when the House passed it last July.



Edwards is a senior member of the House Budget Committee.

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